

**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:

WALKER SERVICES, INC. d/b/a
WALKER INSURANCE AGENCY,

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MDI Case No. 051007343C
AHC Case No. 05-1716DI

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND ORDER OF DISCIPLINE**

DOUGLAS M. OMMEN, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, hereby makes the following findings of fact, conclusions of law and order.

FINDINGS OF FACT

1. Douglas M. Ommen is the Director of the Department of Insurance, Financial Institutions, and Professional Registration (hereinafter, "Director") whose duties, pursuant to RSMo Chapter 375, include the supervision, regulation, and discipline of insurance producers.

2. Walker Services, Inc., d/b/a Walker Insurance Agency (hereinafter, "Walker Insurance") was issued a business entity producer license by the Director number AG8019637, which is active and in good standing.

3. The Director authorized the filing of a Complaint with the Administrative Hearing

Commission on November 22, 2005, seeking a finding that sufficient cause existed for disciplining Walker Insurance's business entity producer license, based on information and allegations that Walker Insurance violated §375.141.1(2), (4), (8) and (10), RSMo.

4. On February 7, 2006, a hearing was held on the Director's Complaint before the Administrative Hearing Commission. Walker Insurance appeared with counsel, Robert M. Susman of the firm Goffstein, Raskas, Pomerantz, Kraus & Sherman, LLC.

5. On December 20, 2006, the Administrative Hearing Commission issued its "Findings of Fact and Conclusions of Law", finding cause to discipline the business entity producer license of Walker Insurance pursuant to § 375.141.1(2), (4), and (8) RSMo. *Director vs. Walker Services, Inc. d/b/a Walker Insurance Agency*, Case No. 05-1716 DI. (hereafter "AHC Decision").

6. On January 19, 2007, the Administrative Hearing Commission certified the record of its proceeding to the Director pursuant to § 621.110, RSMo.

7. The Director mailed to Walker Insurance a notice of disciplinary hearing to be held at 10:00 a.m. on February 27, 2007, in the offices of the Director of Insurance, Financial Institutions and Professional Registration, 301 West High Street, Room 530, Jefferson City, Missouri.

8. On February 7, 2007, the Director through the Producer Licensing Section summarily postponed the renewal application of Walker Insurance pending completion of the present action. MDI Order No. SP-2007-91. On March 14, 2007, Walker Insurance requested a hearing on that postponement. Since March 14, 2007, the date on which the business entity license of Walker Insurance had been scheduled to expire, the renewal application has been pending, but the license has been effective.

9. Walker Insurance requested a continuance on the present matter and it was reset by

the Director for March 29, 2007. On March 28, 2007, counsel for Walker Insurance requested another continuance, which was granted and the disciplinary hearing was reset for April 11, 2007.

10. Walker Insurance appeared on April 11, 2007 for the disciplinary hearing before the Director through counsel Thomas Lake of the firm Lake, Gantz, Lake & Price, LLC. Also appearing was Mr. Lonnell Walker, president of Walker Insurance. At the hearing, Mr. Hall, as counsel for the Consumer Affairs Division, presented the AHC Decision and the record of the proceeding, and then called one witness. Mr. Lake called Mr. Walker as a witness. After the evidence was received, Mr. Hall recommended to the Director that Walker Insurance's business entity producer license be revoked.

11. The Director hereby adopts and incorporates the AHC Decision referenced herein and does hereby find in accordance with the same.

CONCLUSIONS OF LAW

12. The Director has found that he has grounds to discipline the business entity producer license of Walker Insurance pursuant to §375.141.1(2), (4), and (8) RSMo. Section 375.141.1 provides that the Director "may" suspend or revoke the license on these grounds. "May" means an option, not a mandate. *S.J.V. ex rel. Blank v. Voshage*, 860 S.W.2d 802, 804 (Mo.App., E.D.1993). This discretion is vested with the Director. §§375.141 and 621.110, RSMo 2000.

Discretion

13. Based on a review of the AHC Decision and the full record of the proceedings in this matter, the Director concludes that Walker Insurance should not be authorized to conduct the

business of insurance under a business entity license.

14. The Director is especially concerned with the finding that “Walker violated §303.179, RSMo 2000, by issuing an invalid insurance ID card to Johnson.” (AHC Decision, page 10). At the disciplinary hearing Walker testified that the insurance ID card was designed to remind consumers to send in the full amount of premium. The Director finds this testimony lacks credibility.

15. The basis for discipline of a business entity producer is found in §375.141.3, which provides:

The license of a business entity licensed as an insurance producer may be suspended, revoked, renewal refused or an application may be refused if the director finds that a violation by an individual insurance producer was known or should have been known by one or more of the partners, officers or managers acting on behalf of the business entity and the violation was neither reported to the director nor corrective action taken.

(emphasis added.)

On the issue of whether the violation was known or should have been known, the Director also has considered the violations of Lonnell Walker, the president of Walker Services, Inc., that were proven in the consolidated record in this case, and which were found by the Administrative Hearing Commission and supported its decision in the companion case of *Lonnell Walker, Sr. vs. Director*, Case No. 05-1585. Admission of prior unlawful acts is common to prove the knowledge or intent of the accused. *State v. Shaw*, 847 S.W.2d 768, 778 (Mo.banc1993).

16. Due to nature and severity of the aforementioned conduct sufficient grounds exist for revoking the business entity producer license of Walker Insurance pursuant to § 375.141.1(2), (4), and (8) RSMo.

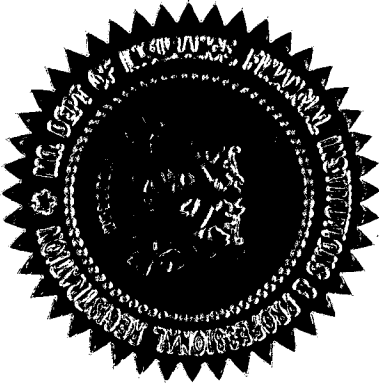
ORDER OF REVOCATION

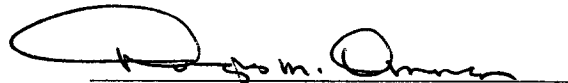
NOW, THEREFORE, IT IS ORDERED that based on the record as a whole and the evidence presented, the business entity producer license of Walker Insurance is hereby REVOKED.

IT IS FURTHER ORDERED that that due to the nature and severity of the violations, Walker Insurance may reapply for a business entity license after January 1, 2011.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 18th DAY OF

April, 2007.




DOUGLAS M. OMMEN
Director

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a certified copy of the foregoing document was forwarded by pre-paid first class mail this 19th day of April 2007, to:

Thomas H. Lake, Esq.
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